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Counsel to the Debtors and
 Debtors in Possession

IN THE UNITED STATES BANKRUPTCY COURT
 FOR THE EASTERN DISTRICT OF VIRGINIA
 RICHMOND DIVISION

- - - - - X
 : Chapter 11
 In re: :
 : Case No. 08-35653 (KRH)
 CIRCUIT CITY STORES, INC., :
 et al., :
 : Jointly Administered
 Debtors. X

STIPULATION BETWEEN THE DEBTORS AND VARIOUS TAXING
 AUTHORITIES RESOLVING THE TAXING AUTHORITIES'
 OBJECTIONS TO THE ORDER APPROVING SALE OF DEBTORS'
 ASSETS FREE AND CLEAR OF ALL INTERESTS AND GRANTING
 RELATED RELIEF

WHEREAS, on November 10, 2008, the debtors and
 debtors in possession in the above-captioned cases

(collectively, the "Debtors"), filed voluntary petitions in this Court for relief under chapter 11 of title 11 of the United States Code, 11 U.S.C. §§ 101-1532 (as amended, the "Bankruptcy Code");

WHEREAS, on January 9, 2009, the Debtors filed their Motion for Orders Pursuant to Bankruptcy Code Sections 105, 363 and 364 (I) (A) Approving Procedures in Connection With Sale of All or Substantially All of the Business or Additional Post-Petition Financing for the Business, (B) Authorizing Debtors to Enter into Stalking Horse or Financing Agreements in Connection with Going Concern Transactions or Stalking Horse Agreements in Connection with Store Closing and Miscellaneous Asset Sales, (C) Approving the Payment of Termination Fees in Connection Therewith, and (D) Setting Auction and Hearing Dates, (II) Approving Sale of Debtors' Assets Free and Clear of All Interests and (III) Granting Related Relief (Docket No. 1423) (the "Motion").

WHEREAS, on January 15, 2009, certain taxing authorities, including Tax Appraisal District of Arlington ISD, Alief ISD, Baybrook MUD 1, Bell County, Brazoria County MUD #6, Burleson ISD, Carroll ISD, City of

Cedar Hill, City of Hurst, City of Lake Worth, City of Wichita Falls, Clear Creek ISD, County of Brazos, County of Comal, County of Denton, Fort Bend ISD, Fort Bend LID 2, Fort Worth ISD, Galena Park ISD, Hidalgo County & H.C. Drainage District #1, Humble ISD, Longview Independent School District, Lubbock CAD, Midland County Tax Office, Potter County Tax Office, Tyler ISD, Wichita County, Wichita Falls ISD, Woodlands Metro MUD, Woodlands RUD #1, Lewisville Independent School District, City of Waco/Waco Independent School District, Midland Central Appraisal District, Central Appraisal District of Taylor County, County of Williamson, Bexar County, Cameron County, Cypress-Fairbanks ISD, Dallas County, Ector CAD, El Paso, Fort Bend County, Frisco, Grayson County, Gregg County, Harris County, Irving ISD, Jefferson County, McAllen, McAllen ISD, McLennan County, Montgomery County, Nueces County, Rockwall CAD, Rockwall County, Round Rock ISD, San Patricio County, Smith County, South Texas College, South Texas ISD, Tarrant County and Tom Green CAD (the "Joint Objectors") filed a Joint Objection to the Motion (Docket Nos. 1548 and 1581);

WHEREAS, on January 15, 2009, Henrico County, Virginia ("Henrico") filed an objection to the Motion (Docket No. 1572);

WHEREAS, on January 15, 2009, Palm Beach County, Florida ("Palm Beach") filed an objection to the Motion (Docket No. 1577);

WHEREAS, the Joint Objectors, Henrico and Palm Beach (collectively, the "Objectors") have asserted that the Debtors owe property taxes to the Objectors in the amounts (the "Claimed Amounts"), and secured by the collateral (the "Claimed Collateral"), as reflected on Exhibit A attached hereto;

WHEREAS, on January 16, 2009 the Bankruptcy Court for the Eastern District of Virginia, Richmond Division (the "Court") entered an Order with respect to the Motion Approving Agency Agreement, Store Closing Sales And Related Relief (Docket No. 1634) (the "Order") authorizing the Debtors to proceed with a the liquidation of inventory and property at their remaining operating stores (the "Sales");

WHEREAS, at the hearing on the Motion, the Court authorized the Debtors to enter into stipulations

with various parties, including the Objectors, resolving their objections to entry of the Order;

WHEREAS, the Debtors and the Objectors desire to resolve certain of their disputes; and

NOW, THEREFORE, in consideration of the foregoing, the Debtors and the Objectors agree and stipulate as follows:

1. The Debtors shall reserve proceeds from the Sales of the Claimed Collateral as set forth on Exhibit A hereto (the "Reserved Proceeds") pending resolution of the amount, extent, validity and priority of the Objectors' liens, if any, against the Claimed Collateral, subject to all defenses, claims and/or counterclaims, or setoffs as may exist with respect to the Claim Collateral. Upon the set aside of such Reserve Proceeds, the liens, if any, of the Objectors shall attach to said proceeds to the same extent, with the same priority and with the same validity as such Objectors currently hold in the subject collateral.

2. Until the Claimed Amounts, as set forth on Exhibit A including any interest as allowed pursuant to the Bankruptcy Code, are paid, or the parties hereto

shall agree otherwise, the Debtors shall maintain the Reserved Proceeds in a separate account and the Objectors' liens, if any, shall continue against the Reserved Proceeds in accordance with the terms of this Stipulation. These Reserved Proceeds may not be released apart from agreement between the Debtors, the Objectors and the DIP Agent, or upon subsequent order of the Court duly noticed to the Objectors. Notwithstanding the Debtors' entry into this Stipulation, the Debtors reserve all rights with respect to the Claimed Amount and the Objectors' interests, if any, in the Claimed Collateral.

3. This Stipulation shall be binding upon and shall inure to the benefit of the Parties, their successors and assigns, parents, subsidiaries, and affiliated corporations and organizations, shareholders, officers, directors, employees, agents, and all other entities and individual persons seeking to claim and/or defend through the rights of the Parties.

4. This Stipulation constitutes the entire agreement and understanding between the parties and no party has made any promises to or agreements with any other party other than those contained in this

Stipulation. No waiver or modification of any term or condition contained herein shall be valid or binding unless in writing and executed by the parties hereto.

5. This Stipulation may be executed and delivered in any number of original or facsimile counterparts, each of which shall be deemed an original, but which together shall constitute one and the same instrument.

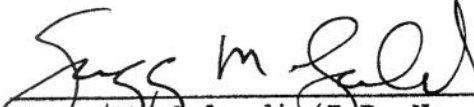
6. The United States Bankruptcy Court shall retain jurisdiction to hear and determine all matters arising from or related to this stipulation. This Stipulation shall be governed by title 11 of the United States Code and, to the extent not inconsistent, the laws of the Commonwealth of Virginia, without regard to Virginia's choice of law rules.

ACCEPTED AND AGREED TO BY:

By: /s/ Douglas M. Foley
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Counsel for the Debtors

Dated:

3/10/09

By:



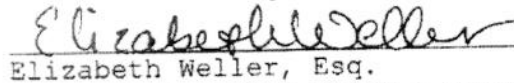
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Longview Independent School District, City of
Waco/Waco Independent School District, Midland
Central Appraisal District, Central Appraisal
District of Taylor County and County of Williamson

Dated:

Feb. 13, 2009

By:



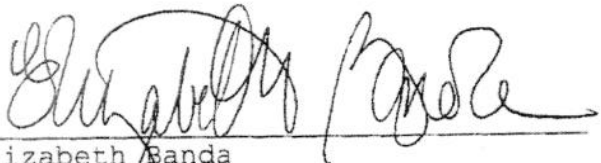
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County, Nueces County, Rockwall CAD, Rockwall County,
Round Rock ISD, San Patricio County, Smith County,
South Texas College, South Texas ISD, Tarrant County
and Tom Green CAD

Dated:

2-13-09

By:


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City of Lake Worth, City of Wichita Falls, Clear
Creek ISD, Fort Bend ISD, Fort Bend LID 2, Fort
Worth ISD, Galena Park ISD, Hidalgo County & H.C.
Drainage District #1, Humble ISD, Lubbock CAD,
Midland County Tax Office, Potter County Tax Office,
Tyler ISD, Wichita County, Wichita Falls
ISD, Woodlands Metro MUD, and Woodlands RUD #1

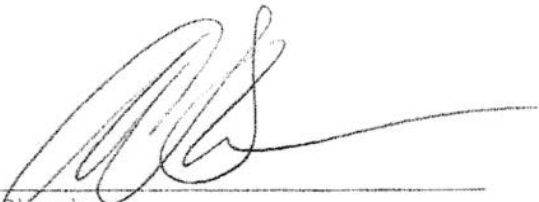
Dated: February 18, 2009

By: /s/ Rhysa Griffith South
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Counsel for County of Henrico, Virginia

Dated: February 12, 2009

By:


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Counsel for Lewisville Independent School District

Dated:

2/11/2009

By: /s/ W. Joel Charboneau

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Local Counsel for Palm Beach County, Florida

Dated: February 26, 2009

EXHIBIT A

Claimed Amounts and Collateral

Claimant	Claimed Amount	Claimed Collateral
Arlington ISD	\$65,116.66	FFE, Inventory
Alief ISD	\$35,130.90	FFE, Inventory, Machinery, Computers, and Supplies
Brazoria County	\$89,220.16	FFE, Inventory, Machinery, Computers, and Supplies
Brazoria County MUD #6	\$27,260.94	FFE, Inventory, Machinery, Computers, and Supplies
Burleson ISD	\$71,301.43	FFE, Inventory
Carroll ISD	\$69,001.38	FFE, Inventory
City of Cedar Hill	\$25,063.19	FFE, Inventory
City of Hurst	\$26,136.35	FFE, Inventory
City of Lake Worth	\$13,601.62	FFE, Inventory
City of Wichita Falls	\$20,459.63	FFE, Inventory Electronics & Data Processing, and Machinery
Clear Creek ISD	\$71,716.62	FFE, Inventory, Machinery, Computers, and Supplies
Fort Bend ISD	\$52,795.66	FFE, Inventory, Machinery, Computers, and Supplies
Fort Bend LID 2	\$6,027.86	FFE, Inventory, Machinery, Computers, and Supplies
Fort Worth ISD	\$45,100.05	FFE, Inventory
Galena Park ISD	\$103,631.60	FFE, Inventory, Machinery, Computers, and Supplies
Hildalgo Count & HC Drainage District # 1	\$36,598.23	FFE, Machinery

Claimant	Claimed Amount	Claimed Collateral
Humble ISD	\$34,615.96	FFE, Inventory, Machinery, Computers, and Supplies
Lubbock CAD	\$84,857.49	FFE, Machinery
Midland County Tax Office	\$7,761.29	FFE, Inventory
Potter County Tax Office	\$91,021.50	Furniture, Inventory, Equipment
Tyler ISD	\$35,769.66	FFE, Inventory
Wichita County	\$14,915.75	FFE, Inventory Electronics & Data Processing, amd Machinery
Wichita Falls ISD	\$41,210.72	FFE, Inventory Electronics & Data Processing, amd Machinery
Woodlands Metro MUD	\$7,409.68	FFE, Inventory, Machinery, Computers, and Supplies
Woodlands RUD #1	\$18,477.42	FFE, Inventory, Machinery, Computers, and Supplies
Lewisville Independent School District	\$64,181.60	All Personal Property
Bell County	\$123,482.55	FFE, Inventory
County of Brazos	\$92,144.95	All Personal Property
County of Comal	\$81,436.80	All Personal Property
County of Denton	\$22,875.78	All Personal Property
Longview Independent School District	\$42,162.74	All Personal Property
City of Waco/Waco Independent School District	\$139,366.87	FFE, Inventory, Machinery, and Supplies
Midland Central Appraisal District	\$70,999.95	FFE, Inventory, Machinery, and Supplies

Claimant	Claimed Amount	Claimed Collateral
Central Appraisal District of Taylor County	\$97,020.13	All Personal Property
County of Williamson	\$76,148.62	All Personal Property
Bexar County	\$336,274.60	All Personal Property
Cameron County	\$72,294.16	All Personal Property
Cypress-Fairbanks ISD	\$42,904.16	All Personal Property
Dallas County	\$325,372.93	All Personal Property
El Paso	\$239,603.90	All Personal Property
Fort Bend County	\$31,663.92	All Personal Property
Frisco	\$17,189.70	All Personal Property
Grayson County	\$51,412.40	All Personal Property
Gregg County	\$23,731.60	All Personal Property
Harlingen	\$14,393.64	All Personal Property
Harlingen CISD	\$27,445.50	All Personal Property
Harris County	\$528,103.98	All Personal Property
Irving ISD	\$59,684.74	All Personal Property
Jefferson County	\$191,224.40	All Personal Property
McAllen	\$22,249.40	All Personal Property
McAllen ISD	\$60,468.94	All Personal Property
McLennan County	\$23,453.78	All Personal Property
Memphis	\$4,048.18	All Personal Property
Montgomery County	\$119,693.18	All Personal Property
Nueces County	\$93,105.66	All Personal Property
Rockwall CAD	\$80,567.20	All Personal Property
Rockwall County	\$15,312.30	All Personal Property
Round Rock ISD	\$63,268.54	All Personal Property
Smith County	\$37,770.84	All Personal Property
South Texas College	\$7,991.14	All Personal Property

Claimant	Claimed Amount	Claimed Collateral
South Texas ISD	\$2,598.32	All Personal Property
Tarrant County	\$362,751.56	All Personal Property
Tom Green CAD	\$52,951.88	All Personal Property
Henrico County	\$1491.00	Vehicle
Henrico County	\$1,307,089.00	Furniture, Fixture, and Computers
Palm Beach County	\$84,353.26	All Personal Property